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FEDERAL COMMUNICATIONS COMMISSION
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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C.

In the Matter of	)	
	)	
Petition of LCI International	)	
Telecom Corp. and Competitive	)	
Telecommunications Association	)	**RM 9101**
	)	
for Expedited Rulemaking to	)	
Establish Reporting Requirements	)	
and Performance and Technical	)	
for Operations Support Systems	)	

COMMENTS OF SPRINT CORPORATION

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July 10, 1997

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SUMMARY

Sprint supports the initiation of a rulemaking on the ILECs' provision of operations support systems ("OSS") to CLECs.

Sprint does not support inclusion, in the rulemaking, of Commission prescription of technical standards for electronic OSS interfaces. The development of these standards, as important as they are, is best left to the industry standards-setting process. However, Sprint does support inclusion within the rulemaking of a Commission deadline for the development of such industry standards, a subsequent deadline for implementation of those standards, and, in the interim, reporting requirements on the status of the ILECs' interface development.

The focus of the rulemaking should be rules and reporting requirements for evaluating ILEC OSS performance. Specifically, the Commission should adopt definitions of the functions to be measured, measurement objectives, and measurement methodologies, and then require ILECs to report on their internal performance and performance for CLECs, so that CLECs can ascertain whether they are being treated non-discriminatorily by the ILEC. The reports must be filed on a geographically disaggregated basis to illuminate important differences in performance that might be masked in statewide or holding-company-wide reporting.

The rulemaking should omit consideration of damages provisions. As a practical matter, whether or not particular deviations in performance constitute the degree of discrimination for which corrective action must be taken, can only be considered on a

case-by-case basis. Furthermore, exclusion of damages issues might foster more cooperation among affected industry segments.

Finally, Sprint does not believe that the negotiated rulemaking process is likely to be efficacious in reaching a prompt consensus on actions the Commission should take.

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COMMENTS OF SPRINT CORPORATION

Sprint Corporation wholeheartedly supports the initiation of a rulemaking, as requested by LCI and CompTel in their May 30, 1997 Petition for Expedited Rulemaking, regarding the performance standards for ILEC operations support systems ("OSS").

I. INTRODUCTION

Sprint files these comments as a corporation that includes both a CLEC business unit that is critically dependent on access to ILEC OSS, and an ILEC business unit that will be subject to whatever rules the Commission may prescribe. The importance of CLEC access to ILEC OSS in the development of meaningful local competition cannot be overstated; its importance by now requires little elaboration. Both the Commission, in

its Local Competition Order,[1] and the Department of Justice, in its evaluation of Section 271 applications,[2] recognize the critical importance of access to OSS.

There are two broad aspects of CLEC access to OSS. The first is the electronic interface between the CLEC and the ILEC. This interface is the medium through which orders, requests for information, trouble reports and the like are passed from the CLEC to the ILEC. Such interfaces must be seamless and sufficiently robust as to enable the ILEC to receive commercial quantities of orders or requests without creating a bottleneck or backlog. The other aspect – and the focus of the LCI/CompTel petition – is the overall performance of the ILEC's OSS in responding to CLEC orders or queries: how quickly and accurately are orders processed, requests for information answered, trouble reports cleared, etc. Sprint supports initiation of a rulemaking that is largely confined (as was the LCI/CompTel petition) to this latter aspect of OSS access, i.e., the minimum standards, measurements and reports needed to ensure nondiscriminatory service.

II. TECHNICAL STANDARDS

In the Public Notice of the LCI/CompTel Petition (DA No. 97-211, released June 10, 1997), the Commission asked for comment on whether it should take action on technical standards for the OSS interfaces. Sprint believes that the technical standards themselves are best worked out among the affected segments of the industry through the

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[1] Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, 11 FCC Rcd 15499 (1996), appeal pending sub nom. Iowa Utilities Board, et al., v FCC (8th Cir. No. 96-3321).

[2] See DOJ's May 16, 1997 Evaluation and its May 21, 1997 Addendum in CC Docket No. 97-121 (SBC-Oklahoma), and its June 25, 1997 Evaluation in CC Docket No. 97-137 (Ameritech-Michigan).

industry standards fora. However, Sprint does urge the Commission to include, within the scope of its notice of proposed rulemaking, the establishment of a deadline for the establishment of industry-wide technical standards, the establishment of a subsequent deadline for ILECs who have received bona fide requests to develop electronic bonding capabilities to implement those standards, and a requirement that ILECs, in the meantime, should report periodically on the status of their OSS interfaces.

This is not to downplay either the need for, or importance of, industry standards for OSS interfaces. Such standards are absolutely essential for local competition to develop and to become robust. Standards developed by the Ordering and Billing Forum ("OBF") have enabled competition to develop in the interexchange market, although OBF has proven to be slow in developing standards, thus slowing the pace of competition. Logic dictates that similar industry-wide standards would promote competition in the local exchange market. An example of those industry-standard operational support systems interfaces that have been maintained and enhanced through OBF for the interexchange market is Exchange Message Interface ("EMI") and, for the local exchange market, Exchange Message Records ("EMR"). EMI is the electronic interface that interexchange carriers utilize to transmit records for interexchange messages to the various local exchange carriers for billing. EMR permits local exchange carriers (both ILECs and CLECs) to exchange billing record detail needed to bill calls which originate in their service territory, but which are billed by another local exchange carrier.

Sprint believes that the OBF and other technical fora are the logical place to have industry participants meet to establish standards. OBF is already engaged in defining standards for the order entry used to provision local service.

ILECs currently use various versions of "legacy" systems for provisioning. Legacy systems were developed during the 1970s. While legacy systems have experienced some changes and modifications in the past 20-25 years, they have remained basically the same. Consequently, incumbent local exchange companies must undertake major enhancements to their systems to meet the standards being developed by OBF.

The question arises whether competitive LECs should be required to build their electronic interfaces to the various versions of legacy that exist today or whether the industry as a whole, both ILEC and CLEC, should adopt uniform technology that is more modern and better suited to an environment where there are multiple providers of local exchange service.

Systems development, whether enhancement of existing systems or development of new systems, is both difficult and costly. However, for CLECs seeking to enter the local exchange market, the difficulty and costliness is increased eight-fold (seven RBOC systems and GTE's system) if there are no industry standards. The lack of standardization for Uniform Service Operating Codes between the RBOCs and GTE hampers the development of new products and services because of the vast resources that must be deployed simply to properly provision and bill services obtained from the RBOCs and GTE. If a CLEC desires to combine unbundled elements to offer new products and services, it still must ascertain and encode all of the ILEC's USOCs in order to provision its new CLEC service offering. It then must develop its own codes so that it can bill its end users for the new product. Companies that seek to offer competitive local exchange service in markets nationwide face significant, if not prohibitive, financial obstacles if they are forced to develop eight separate systems to compete against the

incumbents. Even if they are able to roll out products in each RBOC territory, the number of products offered will be limited by cost.

Even though the Commission, in its Local Competition docket, declined to establish deadlines for the development and implementation of technical standards for the OSS interfaces, it did recognize the value of national standards.[3] And the Department of Justice has also emphasized the need for such standards:[4]

> The Department views as critical a BOC's meaningful commitment to comply with emerging industry standards for BOC-CLEC interfaces and to begin development of interfaces in anticipation of such standards. If all BOCs adhere to the same standard it will ultimately reduce the need for competitors to build completely separate interfaces for each BOC, lowering competitor costs and facilitating faster development of such interfaces.

Although much work is underway in the standard-setting process, a reasonable deadline for the development of such standards will provide a much-needed signal to the industry on how fast it must proceed, and how much in the way of internal resources it must allocate, to that process. Equally important, however, is a Commission requirement that ILECs who have received a bona fide electronic bonding request implement the agreed-upon standards by a date certain. So often in the past, after the industry has laboriously worked through the standards-setting process to arrive at a consensus, some carriers have dragged their feet and refused to implement the agreed- upon standards. And, until

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[3] See e.g., Second Order on Reconsideration (FCC 96-476, released December 13, 1996) at ¶13.

[4] Evaluation of the United States Department of Justice, filed in CC Docket No. 97-121, May 16, 1997, Appendix A at 73-74 (footnotes omitted).

industry standards have been fully implemented, ILECs should be required to make periodic (e.g., quarterly) reports on the status of their OSS interface development efforts.

III. PERFORMANCE MEASUREMENT

Apart from the measures, discussed above, relating to the technical standards for OSS interfaces, the OSS rulemaking should concentrate on the ILECs' proof of reasonable and nondiscriminatory OSS performance for CLECs. In the Local Competition Order, the Commission found (at ¶525) that ILECs must provide nondiscriminatory access to operations support systems functions for pre-ordering, ordering, provisioning, maintenance and repair, and billing, both for unbundled network elements and resold services. The Commission defined nondiscriminatory access to mean nondiscrimination as between all carriers requesting access, and parity as between the service provided to CLECs and service that the ILEC provides to itself (id. at ¶312). The need for nondiscriminatory conduct on the part of ILECs should be self-evident. Unless they provide the same quality of service to CLECs that they provide to their own end-user customers, CLECs that necessarily depend on ILECs for resold services or unbundled network elements will simply not be able to compete effectively in the retail market.[5] ILECs also have a duty, under Section 251(c)(2), to provide interconnection on reasonable terms and conditions. There may be instances where an ILEC's service quality to its own retail customers falls short of an applicable state commission quality

[5] Even a pure facilities-based local competitor is still dependent on the ILEC's OSS to ensure that intercarrier trunking is available on a timely basis and in sufficient quantities, and that trouble reports are satisfactorily investigated and resolved.

standard. In such cases, the ILEC should be held to the state commission quality standard as a minimum level of service quality. Thus, the ILEC should be required to furnish CLECs with service quality that is at least equal to state-imposed standards, or the quality of service that it provides to its own end-user customers, whichever is higher.

In order to ensure ILEC compliance with the requirement to provide CLECs with nondiscriminatory access, on reasonable terms and conditions, to OSS, it is necessary to promulgate service quality measurements for evaluating the ILECs' performance to permit the accurate comparisons that are necessary to determine whether nondiscriminatory performance is being delivered. To this end, as discussed in the LCI/CompTel petition (at 6-7), Sprint, LCI, AT&T, MCI and WorldCom have formed a Local Competition Users Group (LCUG) to work together to arrive at a common view of the necessary service quality measurements. The service quality measurements LCUG has developed thus far are set out in Appendix B to the LCI/CompTel petition (hereinafter, "LCUG SQM").

There are four aspects to measuring service quality. Sprint has reproduced p. 5 of the LCUG SQM on the following page to illustrate them. First is the ILEC activity being provided to the CLEC, shown in the "Function" column, e.g., the timeliness of providing pre-ordering information. The second element, shown in the second column, is the Measurement Objective, e.g., the ILEC response time to a query for appointment scheduling, service and feature availability, address verification, etc. The third element, displayed in the Proposed Service Quality Measurement column, is the methodology for measuring ILEC performance. The two methodologies (labeled PO-1 and PO-2) shown are the responses received on time as a percent of queries sent, and mean cycle time. The

LCUG Service Quality Measurements (SQMs)

ASSUMPTION: OSS FULLY IMPLEMENTED BY ILEC

PRE-ORDER (PO)

Function	Measurement Objective	Proposed Service Quality Measurement
Timeliness of Providing Pre-Ordering Information	Measures the ILEC response time to a query for appointment scheduling, service & feature availability, address verification, request for Telephone Numbers (TNs) and Customer Service Records (CSRs). The query interval starts with the request message leaving the CLEC and ends with the response message arriving at the CLEC.	≤2 seconds from the time the query is launched until the following data is received back (98% ≤ 2 sec & 100% ≤ 5 sec): • Due Date Reservation • Feature Function Availability • Facility Availability • Street Address Validation • Service Availability Information • Appointment Scheduling • Customer Service Records • Telephone Number Assignments: 1. ≤30 TNs ret'd in ≤ 2 sec 98% of time & ≤ 5 sec 100% of time, 2. > 30 TNs ret'd < 2 hours 100% of time **PO-1** **# of Responses Received on time / Total # of Queries Sent** x 100 **PO-2** **Mean Cycle Time**

final element, also shown in the Proposed Service Quality Measurement column, is the default performance standard, or the benchmark value. The benchmark value is that the CLEC should always receive data back from the ILEC within five seconds and, 98% of the time, within two seconds after the query is launched.

These default or benchmark values require some elaboration to understand their context. Sprint (and, Sprint believes it is fair to say, the other LCUG members) did not intend that these benchmark values should be a hard-and-fast rule or a performance standard applicable to all ILECs. Rather, it has been the LCUG members' view that all they are entitled to is parity with each ILEC's own performance (unless that performance is clearly deficient, e.g., not in compliance with state commission quality of service standards, in which case, as discussed above, the ILEC should furnish at least state-compliant service to CLECs), and that the ILEC's performance for one CLEC does not unduly discriminate against that CLEC vis-à-vis the quality of service given to other CLECs and to the ILEC itself. What constitutes parity may thus differ from one ILEC to the next. However, what constitutes parity cannot be determined without information as to each ILEC's own internal performance.

In the LCUG members' individual interconnection negotiations with ILECs, many ILECs were simply not forthcoming about their own internal quality of service measurements or standards. In the absence of such information from the ILECs, the LCUG members developed by general consensus and proposed their own default service quality benchmarks, predicated on the existence of robust systems interfaces between ILECs and CLECs, and based in part on agreed-upon performance levels in CLEC-ILEC interconnection agreements, and in part on state commission quality of service standards.

Where actual performance statistics were unavailable from these sources, the LCUG members developed a default performance benchmark that they believed would be consistent with the provision of high-quality local service to end users.

In fashioning rules for service quality measurements, it would clearly be unsound for the Commission to take the lowest common denominator of existing ILEC performance and deem performance at that level acceptable for ILECs who are capable of, and are in fact providing their own customers with, a much higher level of performance. Such an approach would fall short of the nondiscrimination requirements of Section 251. At the same time, it is unreasonable to impose "best-of-class" standards on all ILECs, since that might exceed the parity implicit in the nondiscrimination standard, and might not reflect the differences in operating environments faced by different ILECs. Thus, what Sprint proposes instead is that the Commission adopt rules, consistent for all ILECs, that incorporate the functions, measurement objectives, and measurement methodology (but not the proposed service quality measurements or benchmarks) set forth in the LCUG SQM document, and a rule requiring that for each function, the ILECs provide service to CLECs that is nondiscriminatory as among CLECs, and that is at least equal to the quality of service provided internally[6] or that which is equal to any relevant state commission standards, whichever is higher. In order to determine whether the ILECs are complying with the rules, the Commission should

[6] This would not preclude a particular CLEC from seeking a higher-than-parity level of service from the ILEC if it is willing to pay the costs associated with such a higher performance level. In cases where the function provided to the CLECs is not a function the ILEC performs for itself, the ILEC's performance should be based on a closely analogous function, or (if no such function exists) on a standard that would provide commercially reasonable levels of service.

also require the ILECs to submit periodic reports, preferably on a monthly basis, to each requesting CLEC showing: (a) the ILEC's own internal performance; (b) its performance for affiliates of the ILEC; (c) its performance for CLECs as a whole; and (d) its performance for the individual CLEC to whom the report is given. These data are necessary to enable each CLEC to know whether it is being discriminated against vis-à-vis other CLECs and whether it is receiving parity of treatment from the ILEC. ILECs and CLECs should be free to voluntarily negotiate other reporting so long as the standard reports contemplated would otherwise be available.

These reports must include sufficient data (including raw numeric values) to enable the CLEC to determine whether meaningful parity is being provided. For example, if an ILEC would merely report that it is achieving 95% of new service installations within five days, both for itself and for CLECs, such a report could mask the fact that the ILEC is filling 94% of its own orders within two days but only 5% of a CLEC's orders within this same period. That is why not only the measurement objective, but also the measurement methodology must be prescribed. Furthermore, the reports should include actual numeric values and quantities, such as the total number of orders processed internally for ILECs, for CLECs as a whole, and for the individual CLEC to whom the report is sent, to enable the CLEC to perform statistical tests that show whether or not any performance differences are statistically significant. The first report – which should be required as soon as possible – should also show the ILEC's internal past performance for at least the preceding twelve months to establish baselines and trendlines for that ILEC to the extent these data are available. Reasonable audit rights of the raw data by third party auditors should also be mandated.

Sprint further recommends that these reports be filed on a meaningful geographically deaveraged basis. RBOC-wide or statewide reports could mask important differences in performance. To use a purely hypothetical example, if Southwestern Bell were facing local competition in Kansas City, but nowhere else within Missouri, and were providing its own customers in Kansas City with superior service to that provided to the CLECs there, this disparity in treatment could be masked by the submission of data on a statewide basis. Sprint recognizes that disaggregation of data could be burdensome to the ILEC if taken to an extreme (e.g., reports by wire center). It may not be necessary to require the submission of such reports on an exchange level, if the ILEC has other geographic subdivisions within a state, such as a LATA or some internally used territorial divisions,[7] that reasonably illuminate its actual performance. To this end, the ILECs need to disclose what their own internal geographic divisions are within a state and should be required to propose what they believe to be a reasonable level of disagregation below a statewide level for purposes of these reports.

In terms of both nondiscrimination and reporting requirements it may be appropriate to distinguish between large and small CLECs. First, with respect to nondiscrimination, small CLECs, having a relatively small number of customers in any locality, may not want to incur the expense of full electronic bonding with the ILEC and will be content to use less robust OSS interfaces (such as graphical user interfaces ("GUIs")) instead, knowing that using these less expensive, but less robust interfaces will result in some degradation of ILEC performance. Disparities in performance as between

[7] For example, Pacific Bell has disclosed to Sprint that it has five regions in California for internal operating purposes, and Sprint would regard that level of disaggregation as

such a CLEC and other CLECs relying on more robust electronic bonding interfaces, and between such a CLEC and the ILEC, would not necessarily be an automatic indication that the ILEC is failing to live up to its nondiscrimination obligations. Should disputes arise, ILECs should have the opportunity to show that such disparate treatment is reasonably related to the less robust interface that the CLEC has elected to employ.

Similarly, small CLECs may not wish to be burdened with the detailed data that Sprint is suggesting that ILECs be required to furnish. Thus, rather than requiring ILECs to provide such data automatically to all CLECs operating within the ILEC's territory, the ILEC should instead be required only to provide such data to CLECs on request.

IV. DAMAGES PROVISIONS

In the Public Notice, the Commission asked for comment on whether it should take action with respect to damages provisions for the failure to comply with performance benchmarks. Sprint believes the Commission should concentrate on the types of rules discussed above, and should not over-complicate an OSS rulemaking by attempting to fashion rules for the imposition of damages. Obviously, the failure of an ILEC to submit reports to CLECs would be a violation of the Commission's rules and would be subject to forfeitures and other penalties. Furthermore, the reports and independent audit rights that Sprint proposes could be used by a CLEC as a basis for a claim that an ILEC is violating its obligation to provide nondiscriminatory services. Such claims are better adjudicated, in an appropriate forum, on a case-by-case basis. To prescribe automatic penalties would require determining, in advance, how much deviation from nondiscrimination, for how long a period, warrants the imposition of such penalties. It may well be that there will be

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adequate.

minor variations in performance from one month to the next both in the way the ILEC or the CLEC serves its own customers and in the way the ILEC serves each CLEC. Armed with the data the reports would provide, the CLECs are in the best position to determine whether any such deviations are minor or short-term aberrations or whether they believe they are being seriously disadvantaged in the marketplace. Thus, Sprint believes that it is better for the Commission to leave possible issues of noncompliance up to a determination on a case-by-case basis, through complaints for damages filed with the Commission or a federal district court, or through requests for revocation of a Section 271 authorization. Omitting consideration of punitive measures from this rulemaking might also foster a more cooperative attitude among the parties.

The Public Notice also asks for comment on the possible use of the negotiated rulemaking process in this matter. Sprint does not believe that a negotiated rulemaking would be an efficacious procedure. As indicated above, OSS functions are of critical importance to local competition. There is no reason to expect that ILECs, by and large, wish to facilitate the loss of their local monopolies, and thus no reason to believe that an industry consensus could be reached. Many ILECs have refused to provide Sprint and other CLECs with any information about their own internal performance measures, and the failure of these individual negotiations to produce the desired information reinforces Sprint's skepticism that a negotiated rulemaking would succeed.

V. OTHER ISSUES

Finally, the Commission's Public Notice requests parties to provide information on performance standards, penalty provisions and reporting requirements to which they are subject as a result of negotiations, and the current status of OSS interfaces. Attached

as Appendix A is "LTD Performance Results," which shows, for the Sprint ILECs, their internal service measures and results. Appendices B and C consist of excerpts from Centel Illinois's agreements with MCI and MFS, respectively, regarding performance standards.

With respect to the current status of OSS interfaces, the RBOCs and GTE currently are relying on manual process and non-standard electronic interfaces to meet the Operations Support Systems requirements of the Act.

There currently are no standards in place for OSS that support the pre-ordering function. Each of the RBOCs has its own system, none of which provides all the information needed by CLECs, and the lack of standardization imposes higher costs on CLECs.

For the ordering and provisioning function the industry is pushing towards EDI Issue 7. While the RBOCs and GTE have stated they plan to work towards adoption of Issue 7, neither the RBOCs nor GTE have committed to a timeframe for adoption of Issue 7.

The Electronic Communications Implementation Committee ("ECIC") has developed an industry standard for electronic bonding for OSS dedicated to maintenance and repair functions. However, even this standard needs to be enhanced to provide testing capability such as MLT testing currently available to the ILEC. Although the RBOCs or GTE have not completed development of this system, they have engaged in discussions with Sprint to achieve this goal. In the interim the RBOCs are offering manual or non-standard electronic processes. Pacific Bell uses a GUI and GTE uses a manual interface to their existing systems.

The OSS for billing appear to be the most advanced and uniform of all OSS functions. This is attributable to the fact that the billing systems used to bill local service are rooted in the systems developed during the past 13 years to bill for interexchange carrier services and the industry use of EMR standard interfaces. In contrast to OSS billing systems, which are the most uniform and which are the most highly developed, the OSS processes for unbundled network elements have yet to be completely defined. Appendix D describes the current status of OSS interfaces for each of the major ILECs to the best of Sprint's knowledge.

Respectfully submitted,

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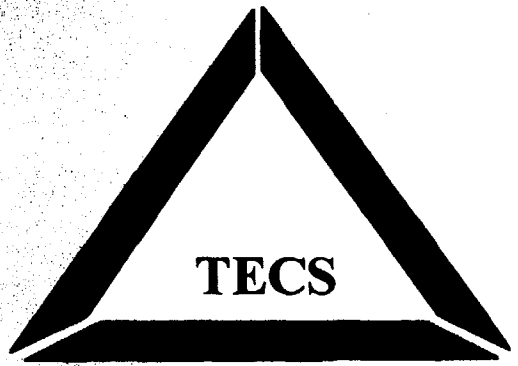
July 10, 1997

APPENDIX A

LTD Performance Results

Service Measures



Tracking Exceptional Customer Satisfaction

Sprint

May 1997

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Key Measures reflecting Sprint LTD performance as an access supplier to its access customers.

Service Measures